

Competing in the Age of Austerity

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Banking & Insurance CEO Conference

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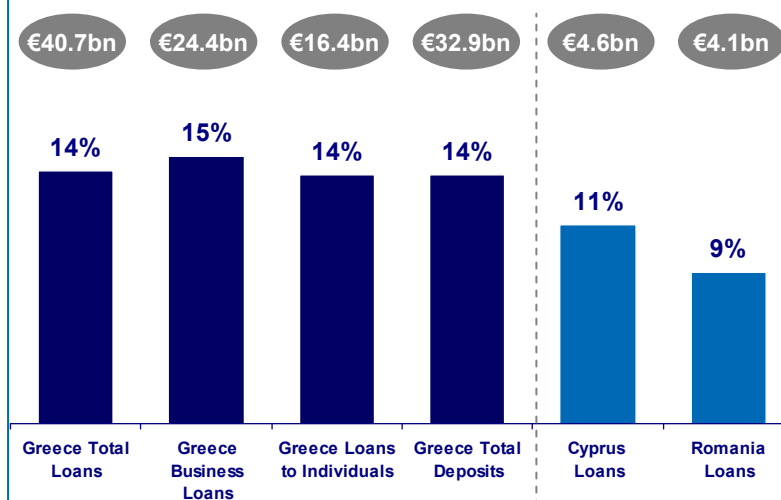
Alpha Bank at a Glance

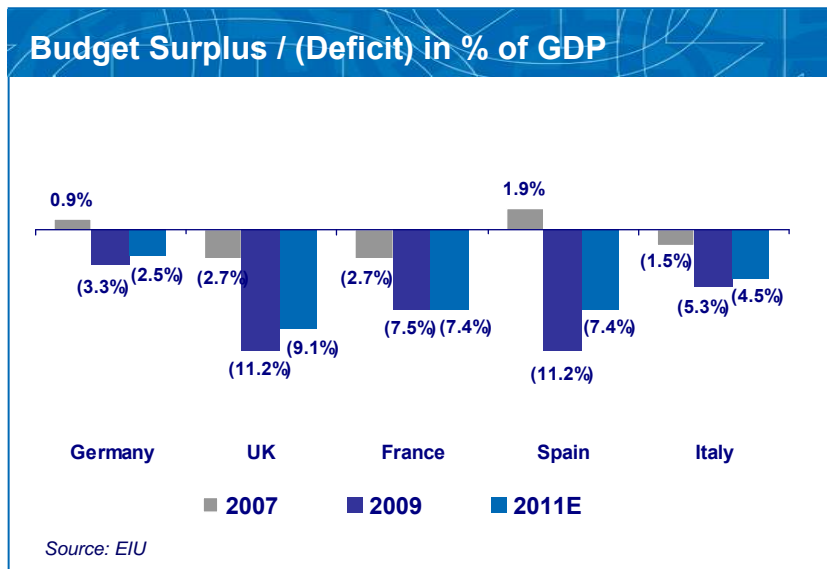
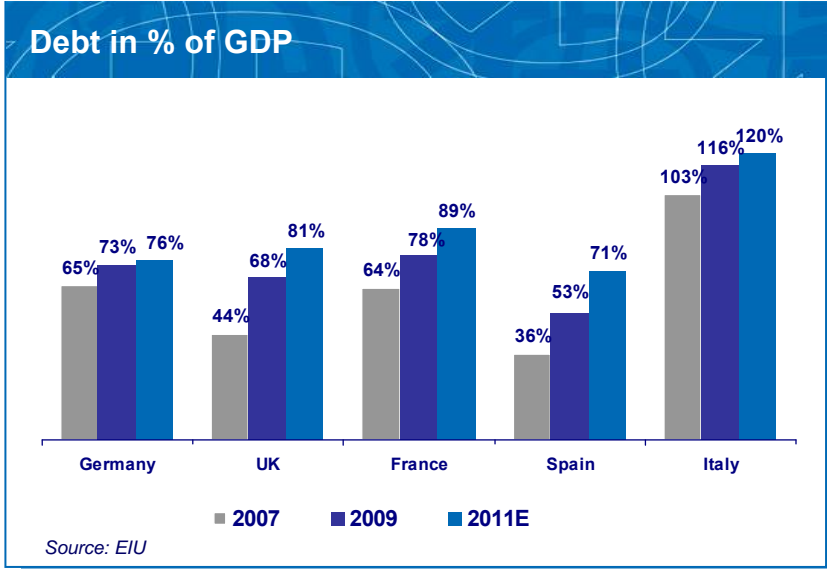
- Founded in 1879 by the Costopoulos family, which holds 9% of the Bank
- Consistency in management ensuring firm implementation of Alpha Bank's strategy
- Leading Greek franchise
 - "Quality Bank" reputation with leading positions across key products
 - Blue chip business client base
- Attractive positioning in neighbouring SEE markets, primarily based on greenfield approach

Sizeable Regional Presence



Market Shares





Fiscal Consolidation

Impact of Austerity

Reduced Growth Outlook

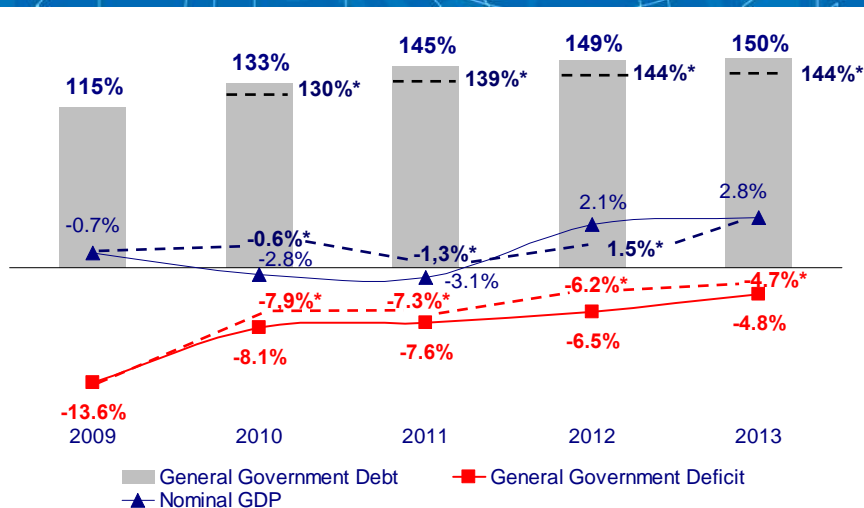
Macro - Deleveraging

Lower Risk Tolerance

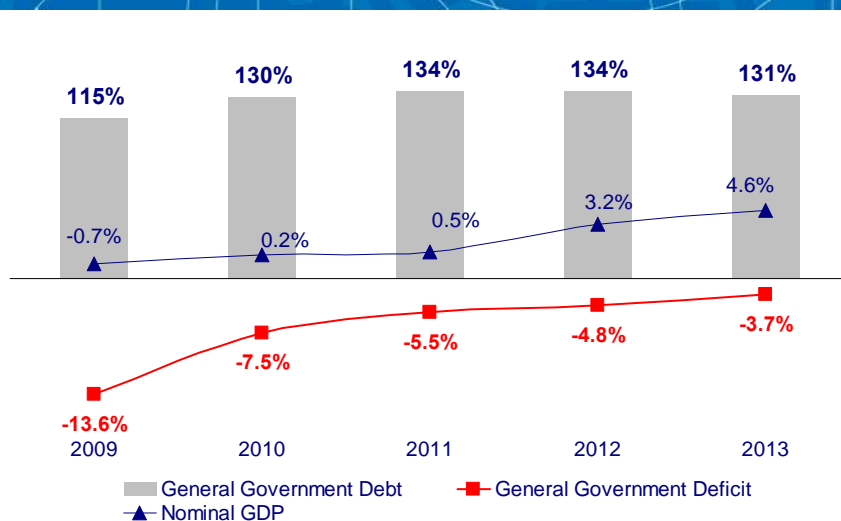
Reduced RoE Expectations

Greece as an Early Example of Austerity

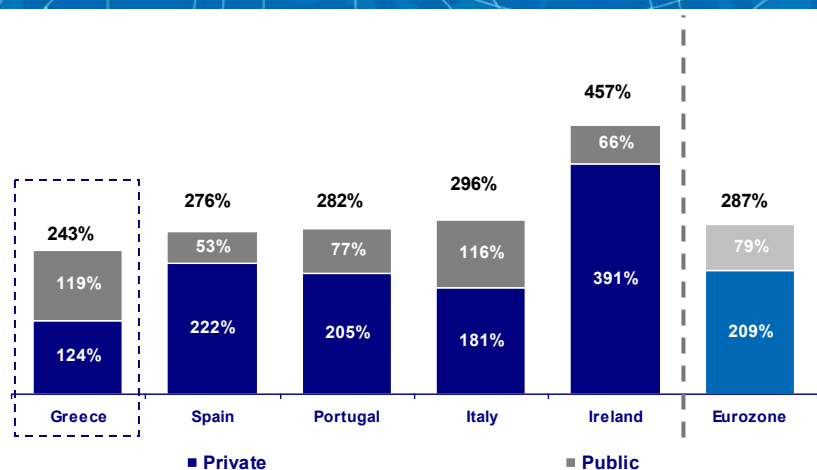
IMF - Deficit, Debt and Nominal GDP



Alpha Research – Deficit, Debt and Nominal GDP

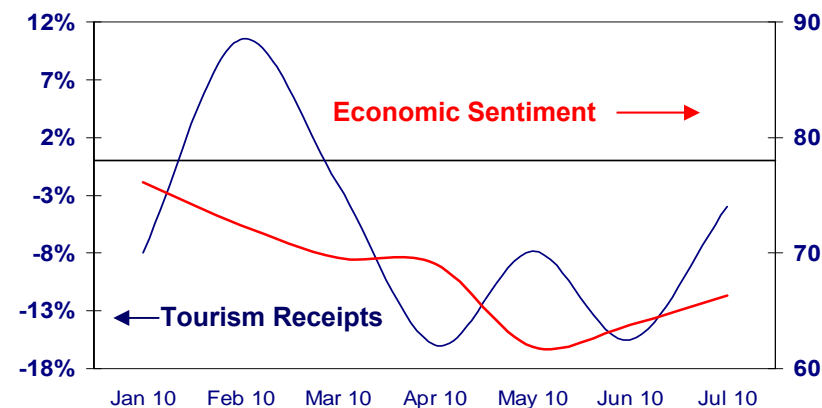


Public and Private Debt Liabilities (% of GDP)



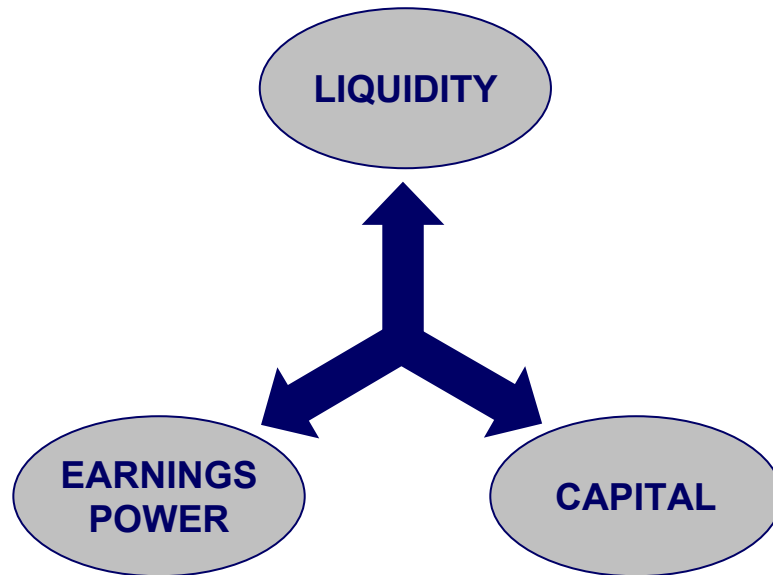
Source: European Central Bank, Bank of Greece, EIU

Turnaround in the pipeline



Source: EL.STAT., Bank of Greece

Success Factors



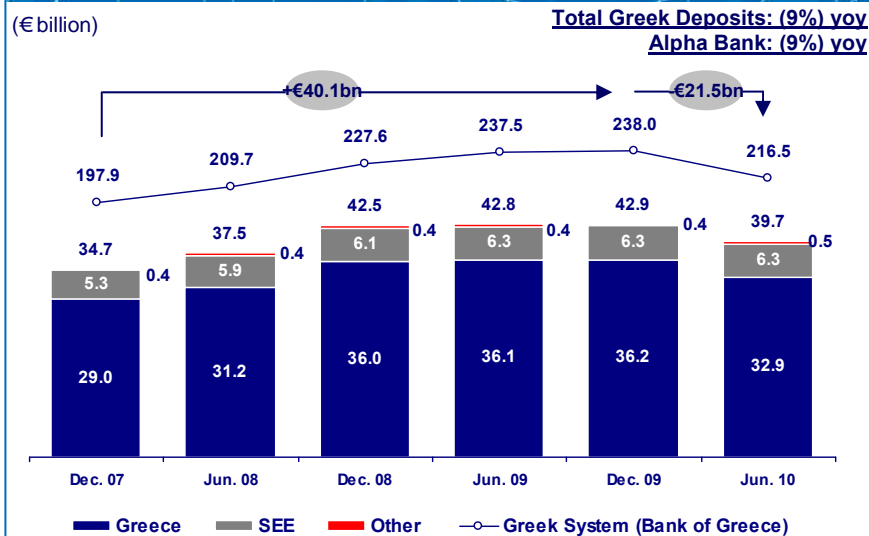
Comments

- 1 Liquidity**
 - Funding diversification
 - Access to stable deposit base
- 2 Capital**
 - Strong capital position
 - Reduced leverage
- 3 Earnings Power**
 - Stability of revenue streams
 - Importance of operating efficiency
 - Prudent risk management

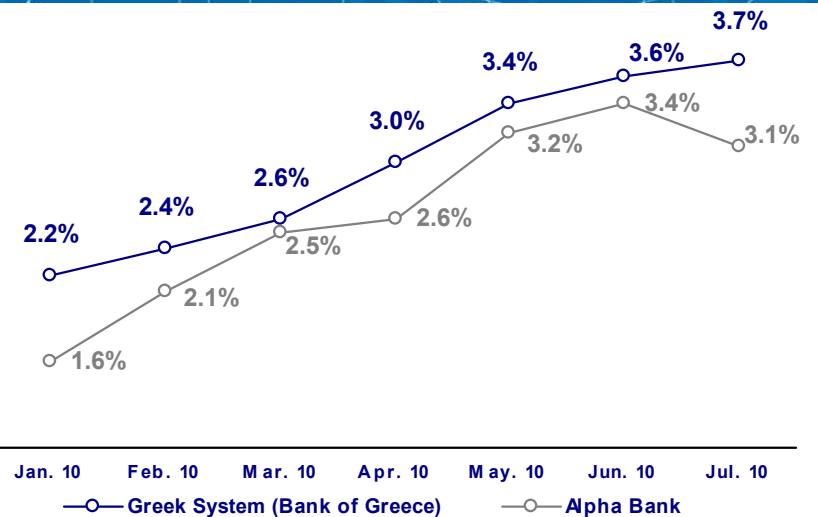
Strong Deposit Franchise Showed Resilience During The Crisis



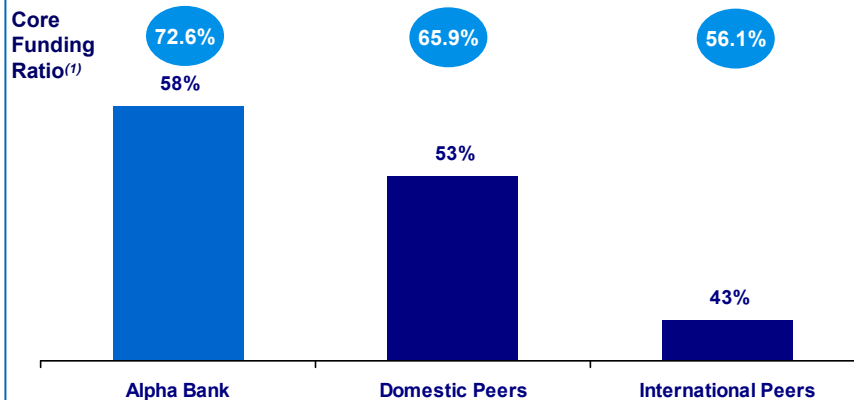
Alpha Bank vs. Greek System Deposits



New Time Deposit Customer Rates (€, Greece only)



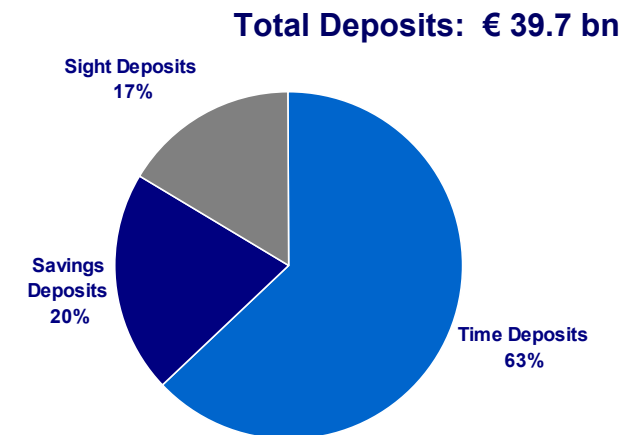
Deposits / Assets



Note: Domestic peers consist of NBG, EFG, Piraeus Bank; international peers consist of Swedbank, Sabadell, Banesto, Bankinter and Popular

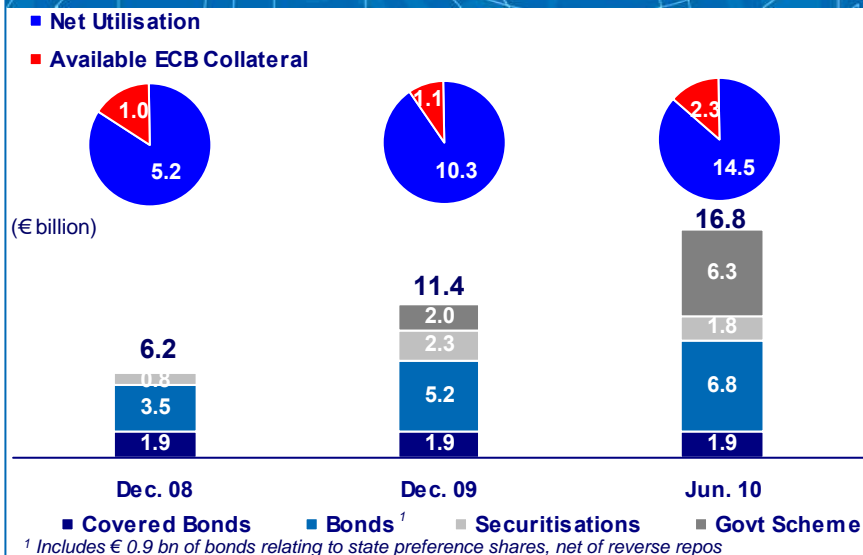
(1) Core funding ratio calculated as deposits over total funding, including customer deposits, net interbank, wholesale funding and hybrid instruments

Deposit Mix

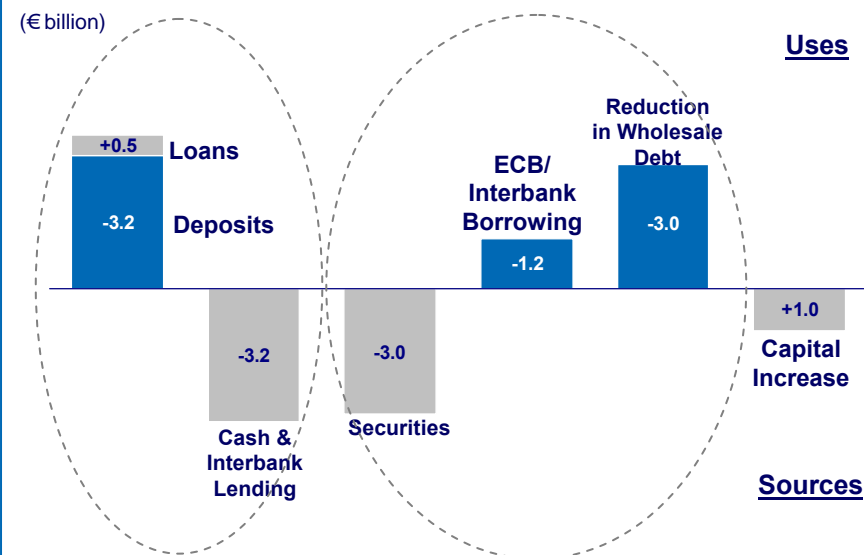




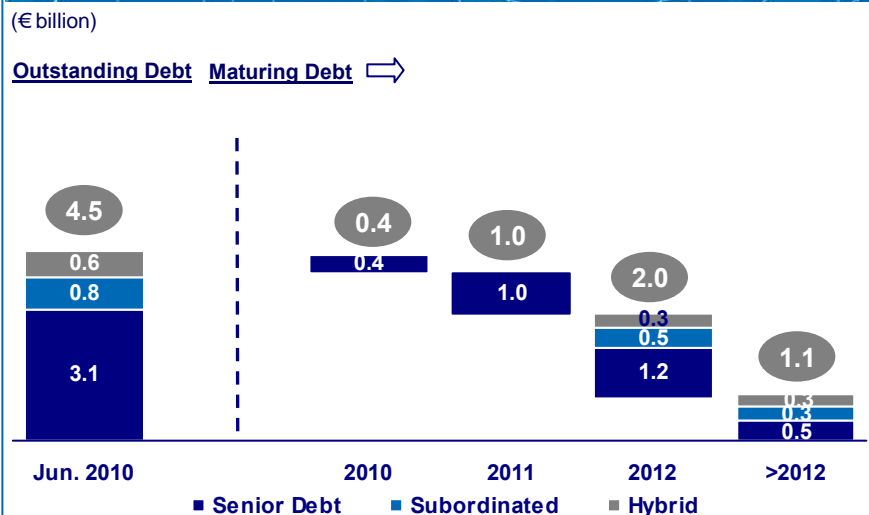
ECB Funding – Collateral Pool Evolution



Sources/Uses of Funds – June 2010 vs. June 2009



Term Funding – Maturity Profile



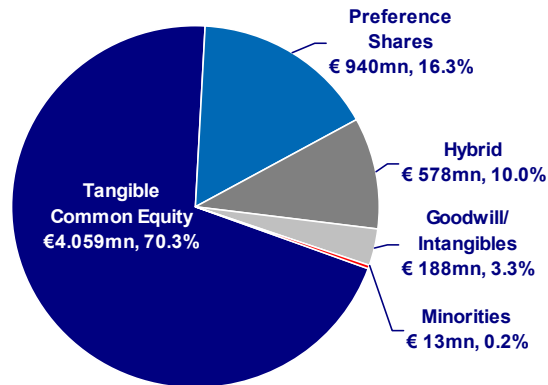
Comments

- ✓ Targeted balance sheet deleveraging enhances liquidity without P&L impact
- ✓ Participation by € 2.3bn in extended State Guarantee Programme of € 15bn for the system in Q2 2010
- ✓ Issuance of € 1 bn Covered Bond in July 2010
- ✓ Additional State Guarantee Programme of € 25bn for the system to be allocated

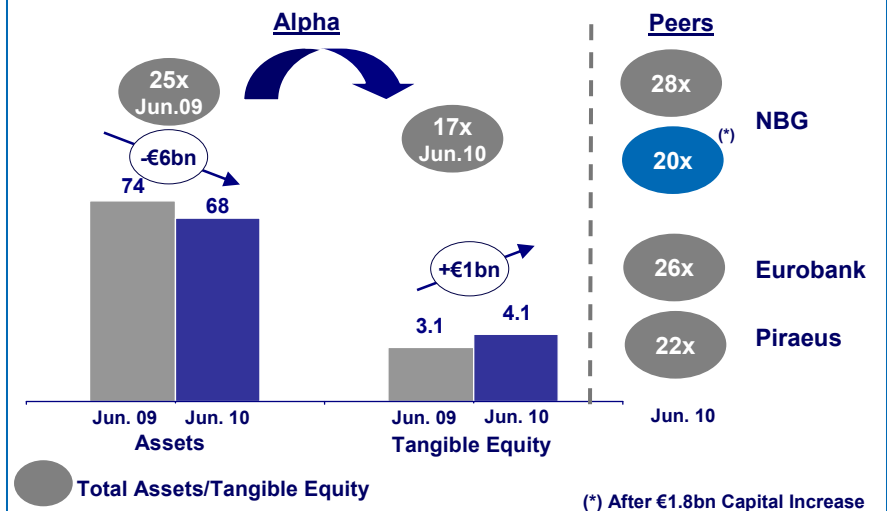


High Quality Capital

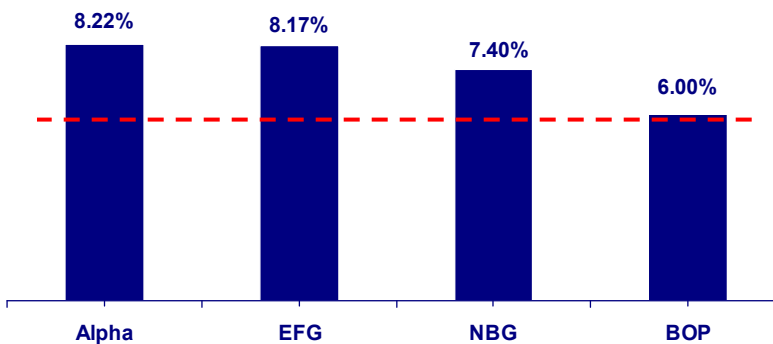
Total Statutory Capital € 5,778mn



Best in Class Leverage Ratio



CEBS Stress Test (July 2010) : Tier I in 2011 (*)



(*) Adverse scenario and Sovereign Shock scenario

RWAs/Total Assets

Standardised Methodology

76%

Alpha Bank

IRB Methodology

68%

Piraeus

58%

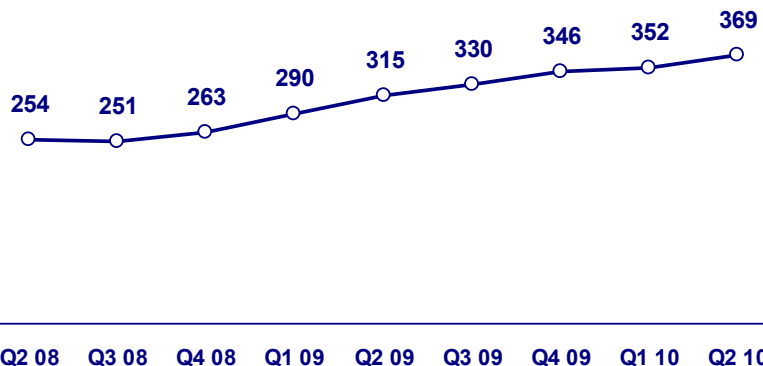
NBG

56%

Eurobank

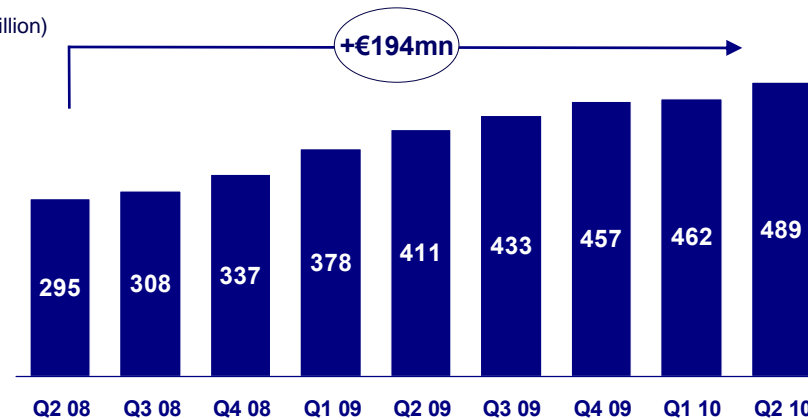
Loan Spreads - Group

(bps)



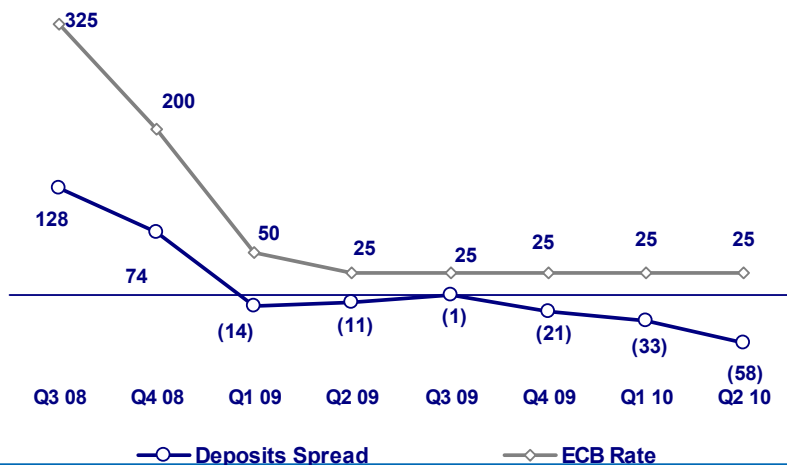
NII - Loans Contribution

Balances at quarter end
(€ million)



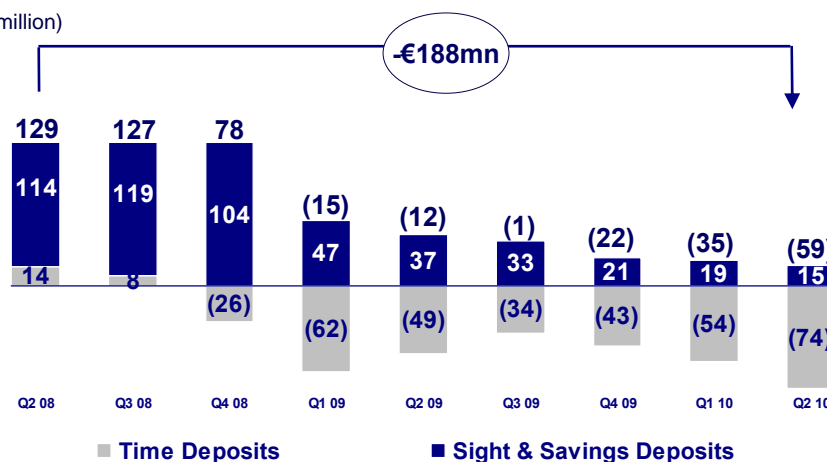
Deposit Spread Evolution

(bps)

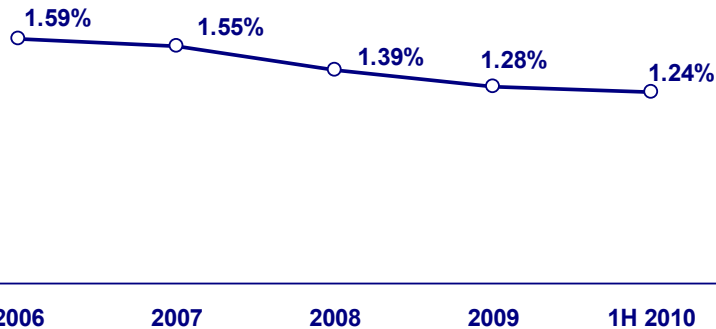


NII - Deposits Contribution

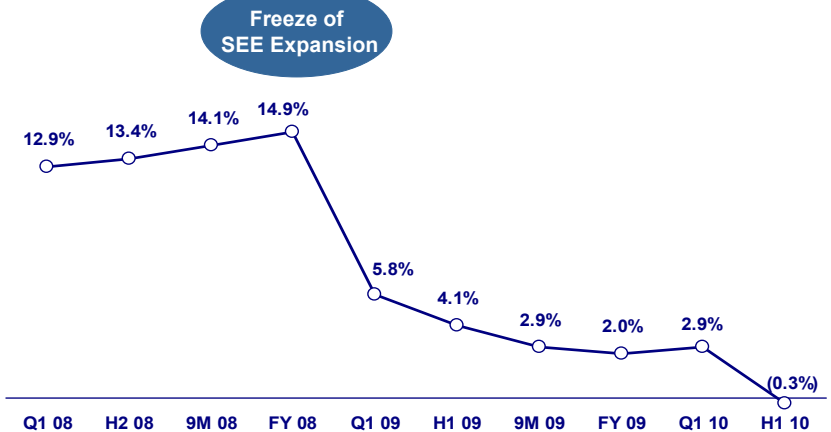
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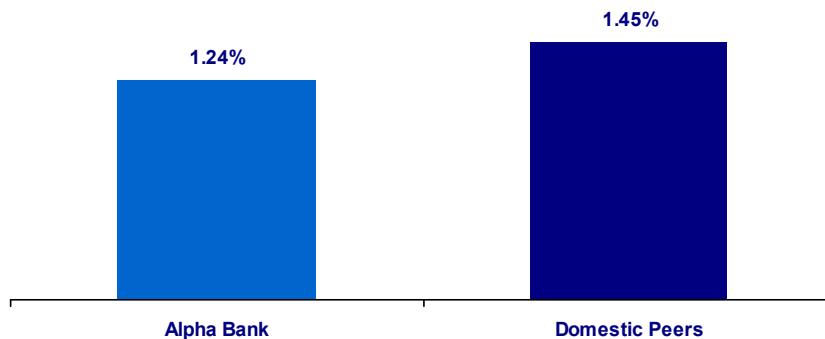
Cost / Customer Exposure



Operating Expenses – YoY Growth



Cost / Customer Exposure vs. Peers



Note: Domestic peers consist of NBG, EFG, Piraeus Bank

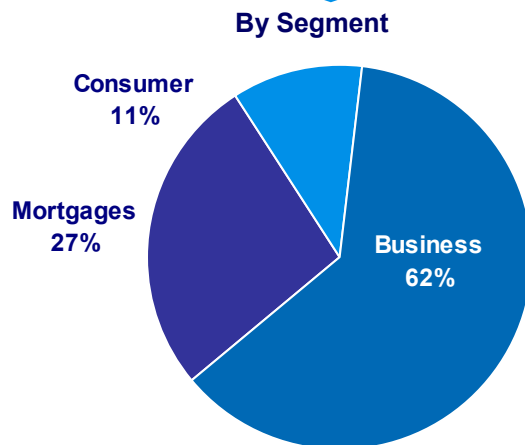
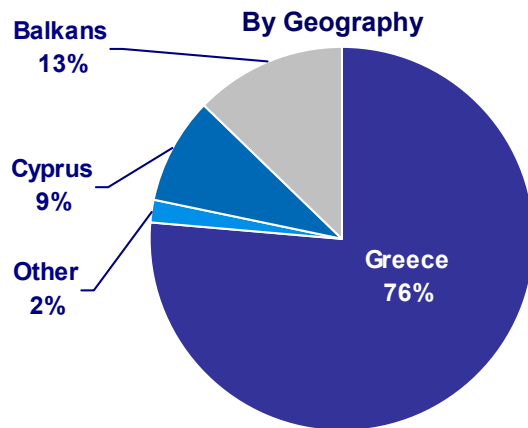
Project to Reduce Procurement Cost

- ✓ Rationalization of specifications of procured items
- ✓ Cooperation with suppliers in order to improve operational efficiency
- ✓ Optimization of Service Level Agreements with suppliers
- ✓ Rationalization and control of volume demand through centralized cost management and clear usage policies
- ✓ Renegotiation and rationalization of supply prices
- ✓ Target €43 – 53m of total savings annually

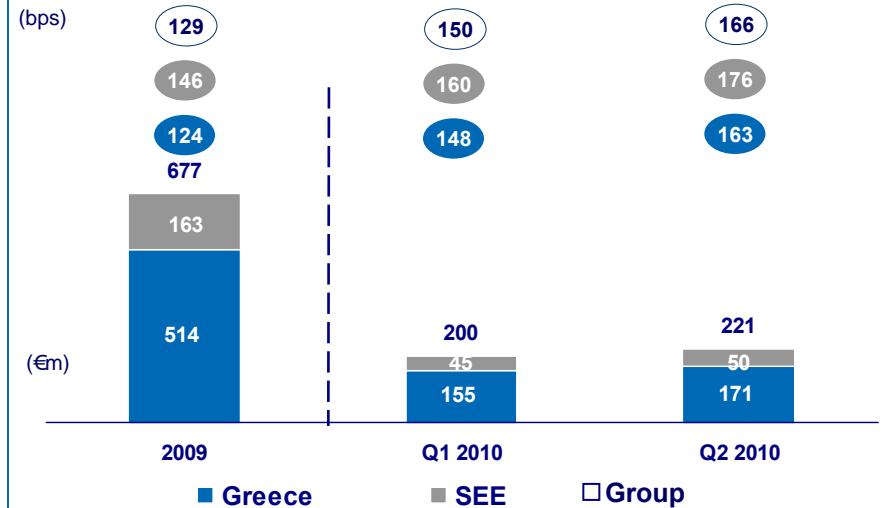
3 Defensive Loan Book Structure

Defensive Loan Portfolio

Total Loans: € 53.3 bn



Impairment Charges by Geography

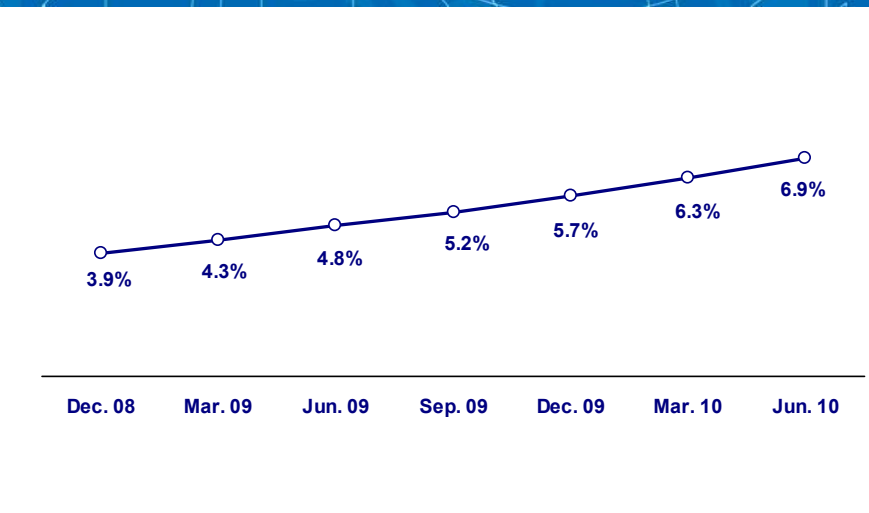


Comments

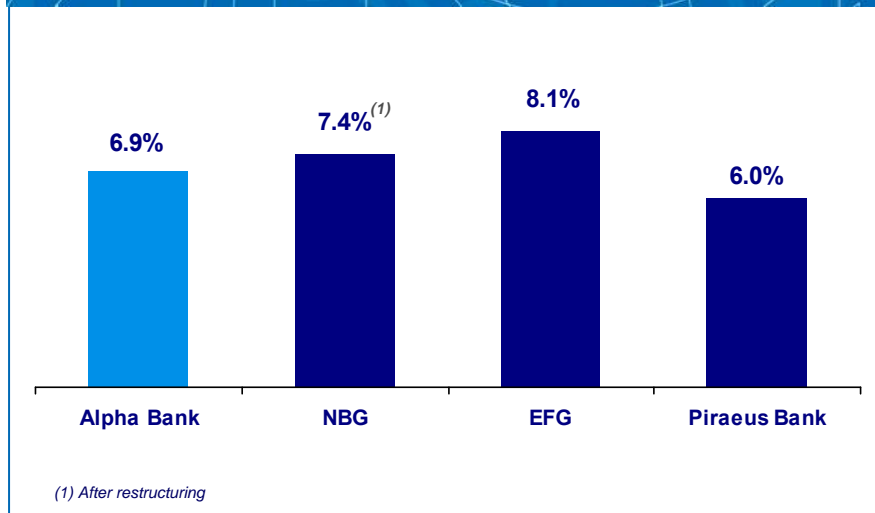
- ✓ Loan book has strong defensive characteristics
- ✓ Running impairment rate at 166bps
- ✓ High recovery rates due to high proportion of collateralized lending

Quality of Risk Management Reflected in Low NPLs and Sound Coverage

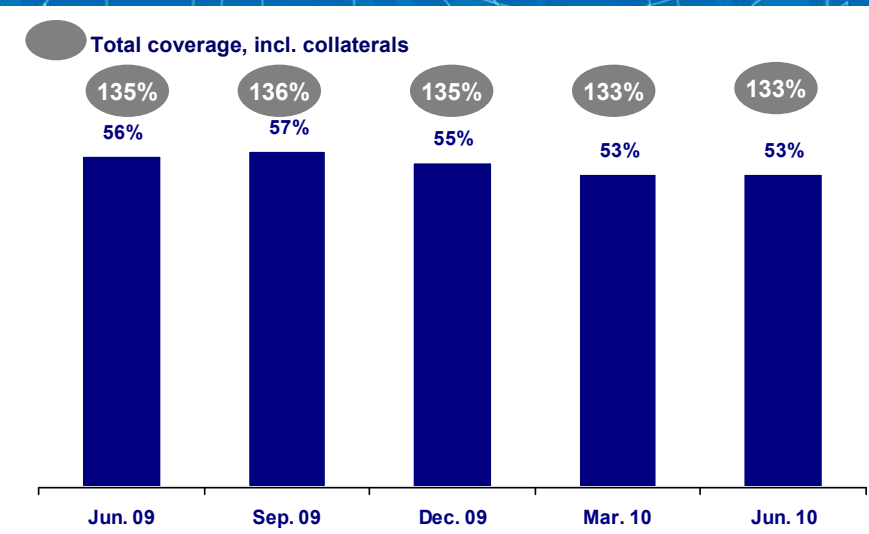
Group Loans in Arrears (IFRS 7: past due > 90 days)



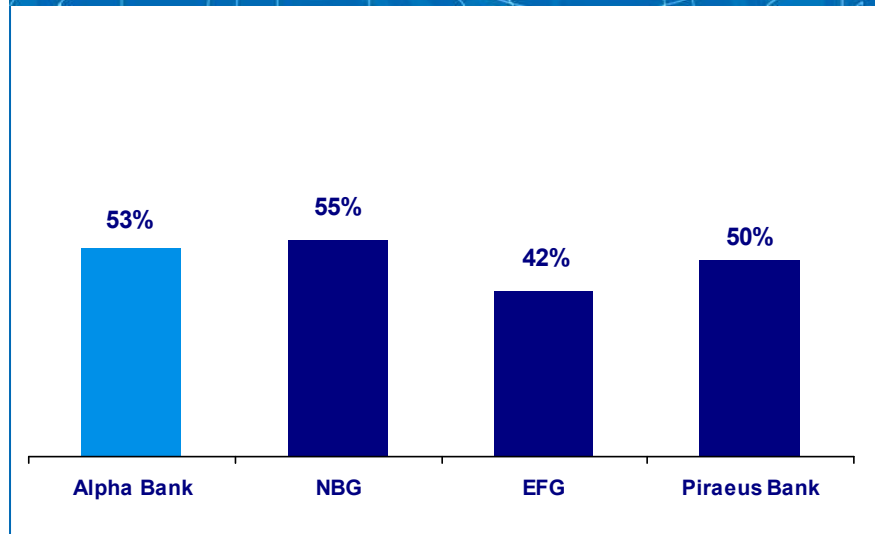
Group Loans in Arrears



NPLs Group Coverage



NPLs Group Coverage



- **A leading player in the region with a prudent and consistent management track record**

- **Macro environment in Greece remains challenging – however as the implementation of the austerity measures progresses, market sentiment towards Greece should improve**

- **Alpha Bank is well equipped to compete in this market environment, focusing its strategy on**
 - **Ensuring Ample Liquidity**

 - **Maintaining Strong Capital; and**

 - **Improving its Earnings Power**

Appendix

(€million)	H1 2010	H1 2009	% Change H1 10/H1 09
Operating Income	1,133.1	1,166.9	(2.9%)
Net Interest Income	917.4	844.9	8.6%
Net fee and commission income	172.0	191.2	(10.0%)
Income from Financial Operations	14.6	98.7	(85.2%)
Other Income	29.1	32.2	(9.8%)
Operating Expenses	571.1	572.9	(0.3%)
Staff Costs	279.7	278.1	0.6%
General Expenses	246.7	248.5	(0.7%)
Depreciation and amortization expenses	44.7	46.3	(3.4%)
Impairment losses	421.3	326.7	28.9%
Profit before tax	140.7	267.3	(47.4%)
Income Tax	40.5	53.5	(24.3%)
Net Profit excl. one-off Tax	100.2	213.9	(53.1%)
One-off tax	61.9	0.0	...
Net Profit after tax	38.4	213.9	(82.1%)
Net Profit attributable to shareholders	38.2	214.7	(82.2%)
Net Interest Margin (net of impairment losses)	2.7%	2.4%	
Cost / Income	50.4%	49.1%	
Return on Equity After Tax and Minorities (ROE)	1.8%	13.6%	

(€million)	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Operating Income	580.4	552.7	578.7	634.4	625.6	541.4
Net Interest Income	461.6	455.8	458.2	459.5	442.3	402.6
Net fee and commission income	89.0	83.0	92.3	95.3	98.4	92.8
Income from Financial Operations	13.8	0.8	10.2	62.6	68.9	29.8
Other Income	16.0	13.0	17.9	17.0	16.0	16.2
Operating Expenses	284.2	286.9	332.5	296.5	294.1	278.8
Staff Costs	136.4	143.3	149.3	138.0	139.2	138.9
General Expenses	125.5	121.2	160.3	135.9	131.4	117.1
Depreciation and amortization expenses	22.2	22.5	22.9	22.6	23.5	22.8
Impairment losses	221.3	200.0	179.6	170.0	169.5	157.3
Profit before tax	74.9	65.8	66.6	167.9	162.1	105.3
Income Tax	26.2	14.2	18.9	37.9	33.5	20.0
Net Profit excl. one-off Tax	48.7	51.6	47.7	130.0	128.6	85.3
One-off tax	0.0	61.9	42.4	0.0	0.0	0.0
Net Profit after tax	48.7	(10.3)	5.3	130.0	128.6	85.3
Net Profit attributable to shareholders	48.7	(10.4)	5.2	130.0	129.0	85.7
Net Interest Margin (net of impairment losses)	2.7%	2.6%	2.6%	2.6%	2.5%	2.4%
Cost / Income	49.0%	51.9%	57.5%	46.7%	47.0%	51.5%
Return on Equity After Tax and Minorities (ROE)	4.5%	(0.9%)	0.5%	15.4%	16.3%	11.3%

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